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June 23, 2005

Ref: 8EPR-N

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, D.C. 20426

Re: Piceance Basin Expansion Pipeline, DEIS
20050182; FERC Docket No. CP05-54-000

Dear Ms. Salas:

In accordance with our responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, Region 8 of the Environmental Protection Agency (EPA) has reviewed and rated the *Draft Environmental Impact Statement (DEIS) for the Piceance Basin Expansion Project*, dated May 2005. The project is a 142 mile long natural gas pipeline from Meeker, Colorado to Wamsutter, Wyoming. The new 24-inch diameter pipeline proposed by Wyoming Interstate Company (WIC) will include increasing compression at the existing Colorado Interstate Gas (CIG) Greasewood Compressor Station, valve and metering facilities, and associated facilities.

Based on the procedures EPA uses to evaluate the potential effects of proposed actions and the adequacy of the information in the DEIS, the project will be listed in the Federal Register in the category EC-2 (EC - Environmental Concerns, 2 - Insufficient Information). This rating means that the review identified environmental impacts that should be avoided in order to fully protect the environment and the DEIS does not contain sufficient information to thoroughly assess environmental impacts that should be avoided to fully protect the environment.

EPA's concerns with the project are the impacts to ecosystems in northwestern Colorado and northeastern Utah (Piceance and Uinta Basins) from actions connected to or induced by the WIC Pipeline. Of particular concern are:

- loss of wildlife habitat,
- habitat fragmentation,
- erosion reducing water quality,
- soil loss
- invasive and noxious weeds and
- air quality (regionally).

Increased gas transportation capacity will facilitate increased density and intensity of gas development. Increased transportation capacity will also increase the rate of gas development. The FEIS should examine the indirect environmental impacts associated with increasing capacity

for natural gas transportation and identify mitigation that will be implemented to reduce these impacts. Although the Piceance Basin DEIS did include a section on the cumulative impacts of oil and gas in the Piceance Basin, the analysis did not identify the indirect impacts that will be induced by increasing gas transportation capacity nor was any mitigation identified for impacts other than the impacts directly resulting from construction of the pipeline. Information is available on some of the indirect impacts from BLM's environmental analysis of oil and gas development. To date, the environmental impacts from oil and gas development have not been analyzed in a holistic manner for this area resulting in segmentation of the environmental analysis. The Roan Plateau DEIS is the most recent BLM environmental analysis for gas development. Unfortunately the Roan Plateau analysis only covers a small area that will be feeding into the proposed WIC pipeline and does not include increased leasing resulting from additional pipeline capacity. Similarly, the Vernal Utah Field office has completed a DEIS /Resource Management Plan which looks at some of the impacts of gas development in the Uinta Basin.

We are concerned by the segmenting of several gas pipeline projects currently proposed in the Piceance Basin. Many of these pipelines and other facilities appear to be "interdependent parts of a larger action and depend on the larger action for their justification" as discussed in the CEQ regulations regarding connected actions at 40 CFR 1508.25 (a)(1)(iii). The overall need for the project appears to be to construct facilities to increase natural gas production and transportation from northeastern Utah and northwestern Colorado to national markets.

In addition to the WIC and Entrega pipelines, there is a proposal by EnCana to build a 205 mile long pipeline from the Utah/Colorado border and southwest of the proposed Roan Plateau development to a new gas plant in Meeker near the termini of the Entrega pipeline (the Meeker Hub compression station). There is also a recent BLM Environmental Assessment for the "Meeker Pipeline and Gas Plant Project". Additional pipeline proposals are described in Table 3.12-1 and Figure 3.12-1 on pages 3-121 and 3-122 in the DEIS. It appears that the federal government has a major role in permitting/approving these pipelines and gas development. We recommend that the EIS be revised to look at all the interconnected natural gas transportation projects in the area and the additional natural gas development that will be induced by increasing pipeline capacity.

If you have any questions about these comments, please contact Dana Allen at (303) 312-6870. We appreciate your interest in our comments.

Sincerely,

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Larry Svoboda, Director
NEPA Program
Ecosystem Protection and Remediation

Enclosure

cc: Gas Branch1, JPJ11.1, FERC